



## Protecting your personal wealth

### Ten common insurance mistakes...and how to avoid them

Property and casualty insurance—protection for your homes, cars, fine art, jewelry, liability and yachts—is a critical part of personal wealth management, yet many successful people still view it as a footnote in their overall plan. Following are common mistakes that could put your assets at risk.

- 1. Your insurance program is messy.**

You acquire assets over time, so it's not uncommon to insure them in different ways. Your summer residence, for example, may be with a different agent and carrier than your home in the suburbs. Your fine art may be insured independently from your cars. Whatever the combination, the end result is fragmented, making insurance more difficult and expensive to manage. This unorganized approach could also cause gaps in coverage that aren't revealed until a claim is denied.
- 2. You're not working with "high net worth" insurance specialists.**

Generally there's a vast difference in quality and service between commodity and luxury goods. The same is true for insurance. If you have a net worth in excess of \$5 million, most insurance carriers are not equipped to address your complex personal risk management needs.
- 3. You don't regularly evaluate your insurer's financial strength.**

In the event of a hurricane or other catastrophic event, will your provider be able to pay your claim? Look for financial stability when choosing your insurer. For example, the insurance companies used by Chartis hold substantial liquidity. From rating agencies to broker assessments, metrics in the insurance industry indicate that Chartis is one of the most financially secure insurance organizations.
- 4. You don't have enough personal liability insurance.**

Does your net worth exceed your liability coverage limits? If a lawsuit puts your assets at risk, the last thing you want to worry about is running out of insurance. Chartis can offer \$100 million on a single policy to address claims of property damage and personal injury—including lawsuits filed by domestic staff, auto accidents with uninsured drivers and more.
- 5. Your home is under-insured.**

If you had to rebuild your home in today's market, would your homeowners' insurance sufficiently cover the expense? Many properties are insured based on values that are vastly underestimated—especially those that have undergone expensive home improvements and renovations.

6.

**You haven't insured valuable collections properly.**

Distinct insurance coverage is available for fine art, jewelry, wine, antiques and other collectibles, yet many include these items in a homeowners' policy and unknowingly diminish their protection. Regardless of your overall policy limit, homeowners' policies generally cap limits on "contents" coverage. The value of covered items also may be subject to depreciation. Insuring high-value collections appropriately can provide broader, more flexible protection. With Chartis, you also gain access to in-house specialists who focus exclusively on preserving the value of private collections.

7.

**You don't know what's excluded from your policies.**

Don't wait until claim time to find out what is—and is not—protected. A high net worth insurance provider is more likely to address the special circumstances that can come with success, or simply offer coverages that traditionally have been ignored in the mainstream marketplace.

8.

**You haven't addressed your vulnerabilities.**

Look beyond coverage. There are steps you can take, with the right insurance provider, to proactively reduce exposure from:

- Liability lawsuits
- Private staff
- Teenage drivers
- Storms and natural catastrophes
- Flooding
- Yacht ownership
- Threats to personal safety and security
- Independent business pursuits

9.

**You don't demand choice.**

The benefit of retaining an independent insurance agent or broker is that they are working for *you*. If you're not frequently presented with options on how to address your insurance needs, it may be time to find a new advisor.

10.

**You're paying too much.**

There are two costs of insurance: the insurance policy itself, and the hidden costs of a claim—out-of-pocket expenses, lost time and frustration, to name a few. With proper management, insurance becomes not only more effective at protecting you, but also more affordable overall.

**About us**

Chartis is a world-leading property-casualty and general insurance organization serving more than 45 million clients in over 160 countries and jurisdictions. With a 90-year history, Chartis has one of the industry's most extensive ranges of products and services, deep claims expertise and excellent financial strength.

Our Private Client Group offers complete solutions for successful individuals and families. We provide the coverage necessary to preserve high-value assets and personal liability. Protection is augmented with services to minimize property damage and bolster safety—and all of this comes in one custom-tailored package. Look to us to safeguard homes, automobiles, excess liability, fine art, collectibles, yachts and more.

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